

ORIGINAL



Tammy Russ

From: Bernice Winandy [winandyb@cybertrails.com]

Sent: Tuesday, January 01, 2008 3:34 PM

To: Gleason-WebEmail

Subject: W-03512A-07-0362 In the matter of the Application of Pine Water Company to Encumber a Part of the Plant System and Issue Evidence of Indebtedness

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Dear Chairman Gleason:

I have been told that you are in charge of scheduling matters for the Arizona Corporation Commission (ACC) and that I should direct my request for a timely decision in the above referenced matter to you.

Unfortunately, the ACC, due the efforts of certain community members, has been brought into the position of possibly influencing the outcome of a recall election in the Pine/Strawberry community.

Rim Country Water Group (the Group), a group existing in the Pine/Strawberry community, has spearheaded a movement to remove four of the seven members of the Pine Strawberry Water Improvement District (PSWID) Board. The Group, among others things, has said that PSWID acted illegally in entering into an unconstitutional contract with Pine Water Co. The Group, as evidenced by a comment at the October 26, 2007 ACC public comment session, would like a decision in the above referenced matter to be delayed until after the recall election scheduled for March 11, 2007. A delay in the referenced matter would allow the Group to continue to use the unconstitutional matter in their election campaign.

The real goal of the Group in seeking removal of PSWID Board members is to gain control of PSWID, turn it into a domestic water improvement district, and purchase the Pine Water Co. and Strawberry Water Co. While this water company purchase might seem to be a good idea there are certain factors that make this plan detrimental to the community. The water company purchase removes the ACC imposed moratorium, and since Gila County has expressed little interest in adopting S.B. 1575, the Pine/Strawberry area would be opened up to development which would not necessarily take into account the area's water shortage problems. The purchase of the water company would also end any hope of developing wells in the deep K aquifer in the near future since any money available would have to be used to meet the demands of paying off the purchase debt.

I would also like to point out that Michael Greer and Fred Krafczyk, acting as intervenors in this case, are active in the Group with Fred Krafczyk leading the meetings and Michael Greer usually sitting at the main table. Michael Greer has been introduced to me as a potential candidate for a PSWID Board position.

The above referenced matter has been before the ACC since June, 2007, and as I understand it, was supposed to be a simple matter of determining whether or not Pine Water Co. could financially afford to take on the debt created by the proposed deep well. Since then the ACC has taken on unconstitutionality issues, possible damage to Strawberry and other related matters. While it is good to examine all issues, a timely decision by the end of January, 2007 would be in the best interests of the Pine/Strawberry community.

I, and others in the community sharing my views, cannot afford to hire an attorney to present our case. However, I hope that you will take the matters discussed in this e-mail into consideration and issue an ACC decision in this matter before February, 2007 so that the unconstitutional matter can be removed as an issue in the recall election. I realize that the ACC might find the proposed agreement unconstitutional and that the recalled Board members would be removed anyway. However, I would prefer to have the PSWID Board members removed from office based on fact rather than unsubstantiated accusations.

It is regrettable that the ACC has been brought into local politics, and I hope that the ACC will remove itself from local politics by issuing a timely decision in this matter.

Bernice E. Winandy

[Redacted signature]

cc: William Mundell
Jeff Hatch-Miller
Gary Pierce
Kristen Mays

Arizona Corporation Commission

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